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Remarks of Representative Lee Nerison  
on Assembly Bill 602 / Senate Bill 497  
Senate and Assembly Committees on Agriculture  
February 23, 2012

Good morning, fellow committee members. I testify today in support of Assembly Bill 602, which I have authored, and its companion bill, Senate Bill 497, which is authored by Senator Dale Schultz.

This legislation makes it easier to preserve agricultural land for future generations and encourages continued investment in Wisconsin's \$59 billion per year agricultural economy. It has the support of the Department of Agriculture, Trade, and Consumer Protection (DATCP) and the support of legislators from both parties in both houses.

In Wisconsin, local communities can voluntarily pursue the designation of an Agricultural Enterprise Area, or AEA, by submitting an application to the Department of Agriculture, Trade and Consumer Protection (DATCP). The Agricultural Enterprise Area program was created as part of the Working Lands Initiative in the 2009-2011 Biennial Budget. Farmers within designated AEAs are eligible to enter into voluntary farmland preservation agreements and can receive tax credits for at least 15 years for keeping their farms in agricultural use.

Currently, AEAs are designated by rule or emergency rule after the department receives input on the proposed AEA at public hearings and the DATCP Board votes on it. This legislation doesn't change the public hearing or DATCP Board approval aspects of this process – both remain intact. What changes is the final step in the process, which is the formal designation of an AEA.

This legislation allows the DATCP Secretary to order the designation, modification, or termination of AEAs by an order of certification, rather than the current practice of doing so by rule or emergency rule. This is consistent with the other aspects of the Working Lands Initiative, including certification of county farmland preservation plans and certification of farmland preservation ordinances.

I feel it is important to allow the department to continue to be responsive to farmers by making it easier to formalize a designation which is voluntarily sought by farmers themselves.

Thank you for your time and consideration of this proposal.

Testimony before the Senate Committee on Agriculture, Forestry and Higher Education

Testimony before the Assembly Committee on Agriculture

Thursday, February 23, 2012

Good morning Chairperson Schultz and Committee Members. Good morning Chairperson Nerison and Committee Members.

My name is John Petty. I am the Administrator of the Division of Agricultural Resource Management at the Department of Agriculture, Trade and Consumer Protection. Secretary Brancel has asked me to provide you with information on the process to designate, modify and terminate agricultural enterprise areas as it relates to AB 602 and SB 497.

The agricultural enterprise area program is a relatively new program created as part of the 2009-2011 Biennial Budget. This program is one part of the state's broader farmland preservation program.

To be designated as an agricultural enterprise area, landowners in the proposed area must develop a petition requesting this designation. The development of this petition is voluntary and requires the support of local landowners and the support of the local town and county governments. By the time the petition is submitted to the department, each town and county government within the proposed boundary has passed a resolution in support of the designation. The communities also have often hosted multiple public forums to discuss the petition. Areas are selected for designation after an evaluation of the submitted petition by a team of external reviewers selected by the Secretary.

The designation of an agricultural enterprise area does not impose any additional restrictions or requirements upon the individual land owners located within the boundary of the designated area. Instead, the designation gives the landowner a chance to claim an income tax credit if he or she voluntarily chooses to enter into a farmland preservation agreement with the state.

As currently written, the statute authorizes the department to designate, modify or terminate agricultural enterprise areas by administrative rule. The department is allowed to promulgate this rule as an emergency rule without the finding of an emergency. The emergency rule created through this process remains in effect without further rule-making.

The department supports AB 602 and SB 497 which changes the statute to allow the designation, modification or termination of an agricultural enterprise area through a certification order, rather than as an emergency rule.

Due to the voluntary nature of participation in this program and the public outreach involved with petition development, we believe the designation of an agricultural enterprise area does not need to go through a formal administrative rule process. In addition, this statutory change